



Florida Department of TRANSPORTATION

Office of Inspector General
Kristofer B. Sullivan, Inspector General

Audit Report No. 20P-006
Performance Measures Fiscal Year 2018-19

April 27, 2020

What We Did

The Office of Inspector General (OIG) conducted a Performance Measures Assessment pursuant to Section 20.055(2)(b), Florida Statutes (F.S.) (2019). We assessed the validity and reliability of four performance measures reported in the 2020-21 Department of Transportation’s (Department) Long Range Program Plan (LRPP) for fiscal year (FY) 2018-19.

What We Found

We assessed the following four performance measures (see Table 1):

Table 1 – Assessment of LRPP Performance Measures

Responsible Office	LRPP Performance Measure Reviewed	Valid	Reliable
Toll Operations (Turnpike)	1. Controllable cost per Active SunPass account	Yes	Yes
Office of Maintenance	2. Maintenance condition rating of state highway system as measured against the Department’s maintenance standards	Yes	Yes
Office of Freight, Logistics, and Passenger Operations (Seaport Office)	3. Number of cruise passenger embarkments and disembarkments at Florida ports	Yes*	No
Office of Freight, Logistics, and Passenger Operations (Aviation Office)	4. Number of passenger enplanements	Yes*	Yes

* We determined this measure is a valid indicator of that which it purports to measure. However, it is not a valid measure of the performance of the Department.

Source: Auditor testing

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We determined the performance measure in the Florida Turnpike Enterprise is a valid indicator of that which it purports to measure. Additionally, **we determined** the data that is utilized for the measure is reliable due to the process controls in place, and the collection methodology for this measure is consistent.

We determined the performance measure in the Office of Maintenance is a valid indicator of that which it purports to measure. Additionally, **we determined** the data that is utilized for the measure is reliable due to the process controls in place, and the collection methodology for this measure is consistent.

We determined the performance measure in the Seaport Office is a valid indicator of that which it purports to measure; however, it is not a valid measure of the Transportation Systems Development Program. The Department has little, if any, impact on these figures. Additionally, **we determined** that the performance measure data used by the Seaport Office is not reliable.

We determined the performance measure in the Aviation Office is a valid indicator of that which it purports to measure; however, it is not a valid measure of the Transportation Systems Development program. The Department has little, if any, impact on these figures. Additionally, **we determined** the data that is utilized for the measure is reliable.

What We Recommend

We recommend the Seaport Office manager implement a desk procedure for its performance measure that provides specific instruction for the calculation of the number of cruise passenger embarkments and disembarkments at Florida ports. The procedure should show the calculation used to create the projection reported on the LRPP and specific sources used in the calculation.

Furthermore, there are opportunities for improvement with the Seaport Office and the Aviation Office managers working with the Office of Policy Planning to develop a performance measure that is representative of their duties, responsibilities, and program goals.

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BACKGROUND AND INTRODUCTION

The Government Accountability and Performance Act of 1994 requires state agencies to implement performance-based program budgeting, which includes establishing legislatively-approved performance measures and standards. Additionally, Section 216.013, Florida Statutes, (F.S.) (2019), requires state agencies to develop a Long Range Program Plan (LRPP) that is policy-based, priority driven, accountable, and developed through careful examination and justification of all agency programs. The statute requires the submission of the LRPP, including prior year performance data, no later than September 30 of each year.

Section 20.055(2)(b), F.S. (2019), requires the Office of Inspector General (OIG) to assess the validity and reliability of the performance measures information reported by the Department of Transportation (Department) and make recommendations for improvement. To comply with these requirements, we reviewed four legislatively-approved fiscal year (FY) 2018-19 performance measures reported in the Department's FY 2020-21 LRPP.

For this assessment, we used the following definitions from the FY 2020-21 LRPP:

Validity - The appropriateness of the measuring instrument in relation to the purpose for which it is being used.

Reliability - The extent to which the measuring procedure yields the same results on repeated trials and data are complete and sufficiently error free for the intended use.

As part of our assessment, we reviewed each responsible office's performance measure procedures and the Department's LRPP to identify the intended purpose for each measure under review. We also reviewed prior reports to determine when each measure was last assessed and the results of that assessment to conclude which performance measures will be reviewed for the current assessment.

The Toll Operations (Turnpike) LRPP performance measure was a new measure for the period of FY 2018-19. As such, it was chosen to provide an initial assessment of its validity and reliability as a performance measure.

The Office of Maintenance performance measure was last assessed in 2011. In the 2011 OIG Advisory Memorandum 11P-3000, the measure was determined to be valid and reliable with no recommendation for improvements.

The Office of Freight, Logistics, and Passenger Operations LRPP performance measures were last assessed in 2011. In the 2011 OIG Advisory Memorandum 11P-3000, the two measures were determined to not be valid measures for the performance of the program areas measured.

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RESULTS OF REVIEW

As shown in Table 2, we determined:

- all four performance measures were valid indicators of that which they purported to measure;
- two of the four performance measures were valid measures of the performance of the Department; and
- three of the four performance measures provided reliable data that supported what was being measured.

Table 2 - Assessment of Long Rate Program Plan (LRPP) Performance Measures

Responsible Office	LRPP Performance Measure Reviewed	Valid	Reliable
Toll Operations (Turnpike)	1. Controllable cost per Active SunPass account	Yes	Yes
Office of Maintenance	2. Maintenance condition rating of state highway system as measured against the Department's maintenance standards	Yes	Yes
Office of Freight, Logistics, and Passenger Operations (Seaport Office)	3. Number of cruise passenger embarkments and disembarkments at Florida ports	Yes*	No
Office of Freight, Logistics, and Passenger Operations (Aviation Office)	4. Number of passenger enplanements	Yes*	Yes

* We determined this measure is a valid indicator of that which it purports to measure. However, it is not a valid measure of the performance of the Department.

Source: Auditor testing

Performance Measure: Controllable cost per active SunPass account

We determined this measure is a valid indicator of that which it purports to measure for the Florida Turnpike Enterprise. **We determined** the data is reliable due to the process controls in place and the collection methodology for this measure is consistent. The data is supplied by the Florida Accounting and Information Resource, the SunPass Accounting Office, and Conduent. We reviewed the desk procedure in place and found that it provides guidance for ensuring the reliability of the data. The Florida Turnpike Enterprise Finance Office finalizes the data and provides the Office of Policy Planning (OPP) with the necessary data to report the measure.

Performance Measure: Maintenance condition rating of state highway system as measured against the Department's maintenance standards

We determined this measure is a valid indicator of that which it purports to measure for the Office of Maintenance. **We determined** the data is reliable due to the process controls in place and the collection methodology for this measure is consistent. We reviewed the Maintenance Rating Program (MRP) Handbook and found that it provides guidance for ensuring the reliability of the data. The Office of Maintenance obtains the final data from the MRP and provides the OPP with the necessary data to report the measure.

Performance Measure: Number of cruise passenger embarkments and disembarkments at Florida ports

We determined this measure is a valid indicator of that which it purports to measure for the Seaport Office. However, the LRPP Exhibit IV, which describes the methodology and purpose of using the number of passenger embarkments and disembarkments at Florida ports as a measuring instrument, states that "this measure is not within the control of the Department." As a result, it is not a valid measure of the Transportation Systems Development Program.

We determined the performance measure data used by the Seaport Office is not reliable. We conducted an interview with the Seaport Office manager, and he stated there is no desk procedure maintained for the calculation of the performance measure. Therefore, we were unable to determine the methodology used to calculate the projection reported on the LRPP and were unable to replicate the calculation.

We recommend the Seaport Office manager implement a desk procedure for its performance measure that provides specific instruction for the calculation of the number of cruise passenger embarkments and disembarkments at Florida ports. The procedure should show the calculation used to create the projection reported on the LRPP and specific sources used in the calculation.

Opportunity for Improvement with Measure

The performance measure data is provided by external sources. The Seaport Office relies on information provided by the Florida Seaport Transportation and Economic Development (FSTED) Council, which relies on the individual ports to provide passenger embarkment data. The Seaport Office uses cruise passenger data obtained from the FSTED Council's Five-Year Seaport Mission Plan to create a projection to provide to the OPP.

There is an opportunity for improvement. The Seaport Office manager should work with the OPP manager to develop a performance measure that is representative of their duties, responsibilities, and program goals.

Performance Measure: Number of passenger enplanements

We determined this measure is a valid indicator of that which it purports to measure for the Aviation Office. However, the LRPP Exhibit IV, which describes the methodology and purpose of using the number of passenger enplanements as a measuring instrument, states that “the work done by the Department of Transportation has very little, if any, impact on the number of passenger enplanements.” As a result, the performance measure is not a valid measure of the Transportation Systems Development program.

We determined the performance measure data is reliable, but we noted the data is provided by external sources. The Aviation Office relies on information provided by the Federal Aviation Administration (FAA) which relies on the individual airlines to provide passenger enplanement data. The Aviation Office obtains the data from the FAA website and provides the OPP with the necessary data to report the measure.

Opportunity for Improvement with Measure

There is an opportunity for improvement. The Aviation Office manager should work with the OPP manager to develop a performance measure that is representative of their duties, responsibilities, and program goals.

APPENDIX A – Purpose, Scope, and Methodology

The **purpose** of this engagement was to meet the statutory requirement in Section 20.055, Florida Statutes (2019), to assess the validity and reliability of legislatively-approved performance measures and make recommendations for improvements, if needed.

The **scope** of the assessment included all information and documentation related to the following four performance measures reported in the Department’s 2020-21 LRPP for the fiscal year 2018-19:

1. controllable cost per active SunPass account;
2. maintenance condition rating of state highway system as measured against the Department’s maintenance standards;
3. number of cruise passenger embarkments and disembarkments at Florida ports;
and
4. number of passenger enplanements.

The **methodology** included:

- reviewing applicable statutes, rules, and procedures;
- reviewing prior advisory reports and working papers;
- interviewing appropriate Department management and staff regarding the performance measure processes;
- reviewing data sources, data collection, measure definitions, and methodologies;
and
- testing of available data.

APPENDIX B – Management Response

Dan FitzPatrick, Manager of the Seaport Office, provided the following response by email on March 31, 2020:

We determined this measure is a valid indicator of that which it purports to measure for the Seaport Office. However, the LRPP Exhibit IV, which describes the methodology and purpose of using the number of passenger embarkments and disembarkments at Florida ports as a measuring instrument, states that “this measure is not within the control of the Department.” As a result, it is not a valid measure of the Transportation Systems Development Program.

We determined the performance measure data used by the Seaport Office is not reliable. We conducted an interview with the Seaport Office manager, and he stated there is no desk procedure maintained for the calculation of the performance measure. Therefore, we were unable to determine the methodology used to calculate the projection reported on the LRPP and were unable to replicate the calculation.

We recommend the Seaport Office manager implement a desk procedure for its performance measure that provides specific instruction for the calculation of the number of cruise passenger embarkments and disembarkments at Florida ports. The procedure should show the calculation used to create the projection reported on the LRPP and specific sources used in the calculation.

Response to Finding: We concur with the finding and recommendation.

Corrective Action: The Seaport Office is actively developing and posting procedures to the Department’s Seaport Office SharePoint site.

Estimated Completion Date: During completion of the next Long Range Program Plan (LRPP) update (e.g., Summer 2020).

Aaron Smith, Manager of the Aviation Office, concurred with the report via email on April 1, 2020.

Rudy Powell, Director of the Office of Maintenance, concurred with the report via email on March 30, 2020.

Nicola Liquori, Executive Director of the Florida Turnpike Enterprise, concurred with the report via email on April 22, 2020.

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DISTRIBUTION

Responsible Managers:

Rudy Powell, P.E., Director, Office of Maintenance
Nicola Liquori, CPA, Executive Director, Turnpike Enterprise
Gerard O'Rourke, Administrator, Office of Freight, Logistics, and Passenger Operations
Dan Fitz-Patrick, Manager of Seaport Office
Aaron Smith, Manager of Aviation Office

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PROJECT TEAM

Engagement was conducted by:
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Under the supervision of:
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Joseph W. Gilboy, Director of Audit

Approved by:
Kristofer B. Sullivan, Inspector General

STATEMENT OF ACCORDANCE

The Department's mission is to provide a safe transportation system that ensures the mobility of people and goods, enhances economic prosperity, and preserves the quality of our environment and communities.

The Office of Inspector General's mission is to promote integrity, accountability, and process improvement in the Department of Transportation by providing objective, fact-based assessments to the DOT team.

This work product was prepared pursuant to section 20.055, Florida Statutes, in accordance with the Association of Inspectors General *Principles and Standards for Offices of Inspector General*, and conforms with The Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing*.

Please address inquiries regarding this report to the Department's Office of Inspector General at (850) 410-5800.